

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Planning and Building	(2) MEETING DATE 10/11/2016	(3) CONTACT/PHONE Jim Bergman, Director / (805) 781-5708	
(4) SUBJECT Report on Department of Planning and Building Priorities. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board provide direction regarding progress or changes to the Department's priorities.			
(6) FUNDING SOURCE(S) Department Budget	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT { } Consent { } Presentation { } Hearing (Time Est. ____) {X} Board Business (Time Est. <u>60 min</u>)			
(11) EXECUTED DOCUMENTS { } Resolutions { } Contracts { } Ordinances {X} N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: { } 4/5 Vote Required {X} N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY { } Date: <u>February 16, 2016</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Lisa M. Howe			
(18) SUPERVISOR DISTRICT(S) All Districts			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Planning and Building / Jim Bergman, Director

DATE: 10/11/2016

SUBJECT: Report on Department of Planning and Building Priorities. All Districts.

RECOMMENDATION

It is recommended that the Board provide direction regarding progress or changes to the Department's priorities.

DISCUSSION

Background

The Department presents the Priorities Report to your Board in February and October during identified Strategic Planning Sessions. On February 16, 2016, the Department presented the latest comprehensive priority and workload update to the Board.

Established Priorities and Progress

On February 16, 2016 your Board unanimously approved a priority list with projects to be completed by many teams within the Department. In addition, your Board provided a secondary set of priorities to be completed if time permits or to be considered for the priority list in the future. This report focuses on progress made toward completing the established priorities, indicates new projects directed by the Board since February 2016, and mentions other notable projects currently underway or anticipated. At this time, staff does not recommend adding new priorities without removing or postponing existing priorities or providing additional resources due to the impact new priority projects would have on staffing workloads and project delivery times. Below are the approved priority list items and a summary of progress:

Current Priorities

- **Avila Traffic Analysis**

Status	Completed
Next Milestones	N/A
Estimated Project Completion	N/A

Detailed Summary: Prior to initiating the community plan update process, your Board directed staff to first analyze specific policies pertaining to traffic in Avila. Staff presented the findings of the traffic evaluation analysis to the Board in a joint presentation with Public Works on July 19, 2016. Staff received important direction from the Board and will incorporate that direction into the Avila Community Plan Update.

- **Complete the Draft Los Osos Habitat Conservation Plan (begin Fish and Wildlife agency review) and Complete the Los Osos Community Plan Update.**

Habitat Conservation Plan

Status	<i>Under review by Federal and State Agencies</i>
Next Milestone	<i>Release public review draft of the HCP and EIR/EA in February 2017</i>
Estimated Project Completion	<i>Fall 2018</i>

Detailed Summary: The administrative draft Habitat Conservation Plan was completed and submitted to the U.S. Fish and Wildlife Service and the California Department of Fish and Wildlife in September 2016. These agencies are currently reviewing the administrative draft. Public review of the draft plan and EIR/EA is scheduled for February 2017.

Community Plan

Status	<i>Plan released for public review; Staff is reviewing the completed Administrative Draft of the EIR.</i>
Next Milestone	<i>Release public review draft of the Community Plan and EIR in February 2017</i>
Estimated Project Completion	<i>Fall 2018</i>

Detailed Summary: Related to the Habitat Conservation Plan, the Board authorized preparation of the Los Osos Community Plan update in December 2012. A Public Review Draft Community Plan is now available for review at the Department offices, the Los Osos Library and on the Department's website. The plan is consistent and coordinated with the draft groundwater Basin Management Plan and the draft Habitat Conservation Plan. A consultant was selected and has begun to prepare an Environmental Impact Report for the Community Plan and staff has received and is currently reviewing the administrative draft of the document. The Environmental Impact Report is expected to be released for public review in February 2017. The completion of the Habitat Conservation Plan and Community Plan, in conjunction with implementation of the Basin Plan, is necessary to foster new growth and development in Los Osos and to comply with California Coastal Commission conditions of approval for the recently completed wastewater treatment plant.

- **Complete Workforce Housing Policy Amendments**

Status	<i>Under review by the Planning Commission</i>
Next Milestone	<i>Consideration by the Board of Supervisors</i>
Estimated Project Completion	<i>October 25, 2016</i>

Detailed Summary: Work to consider amendments to Title 22 of the County Code and the Land Use Ordinance to incorporate workforce housing policies are nearing completion. The proposed modifications include the creation of a pilot program encouraging the development of housing that is affordable to San Luis Obispo County's workforce. This is proposed to be accomplished through reduced minimum lot sizes and flexible development criteria for standard subdivisions. Workforce housing subdivisions are meant to facilitate the creation of small fee-simple lots to accommodate infill housing within existing communities. Workforce housing subdivisions would be a development tool available in Residential Single-Family or Residential Multi-Family land use categories within the Inland areas of the County. In addition to the ordinance amendments, this program would include Workforce Housing Design Guidelines to guide site planning, building design, and landscape/outdoor areas for workforce housing subdivisions. A public review draft was released and the review period ended January 31, 2016. The ordinance amendments are currently being considered by the Planning Commission. The ordinance package is currently scheduled to be heard by the Board of Supervisors on October 25, 2016

- **San Miguel Community Plan Update**

Status	<i>Under review by the public</i>
Next Milestones	<i>Review and recommendation by the Planning Commission on October 13, 2016 and consideration by the Board of Supervisors on November 22, 2016.</i>
Estimated Project Completion	<i>December 13, 2016.</i>

Detailed Summary: On November 1, 2011, the Board authorized the community plan update. This comprehensive community-based plan is intended to streamline new development, enhance the quality of life, and bring vitality to San Miguel. A public review draft of the Community Plan update was released in June 2013. The Draft Environmental Impact Report was released for public review in early August 2016 and the comment period closed late September 2016. The Community Plan is scheduled to be heard by the Planning Commission on October 13, 2016 and is scheduled to be heard by the Board of Supervisors on November 22, 2016.

- **Inland Vacation Rental Ordinance**

Status	<i>In Progress</i>
Next Milestones	<i>Continue Outreach</i>
Estimated Project Completion	<i>Spring of 2017</i>

Detailed Summary: Staff has prepared an initial draft of the ordinance using the County's existing coastal zone vacation rental ordinance as a model, with adjustments to address issues that are of particular concern in the inland part of the county, such as the use of vacation rentals as temporary events venues. The draft ordinance would address this issue by expressly prohibiting temporary events from occurring on a site with a residential vacation rental unless authorized, through minor use permit approval, in compliance with the County's existing temporary events ordinance. The ordinance also includes development standards covering topic such as parking, noise, occupancy limitations, location requirements, and noticing procedures, with the goal of minimizing impacts to neighboring properties. The public review draft was released on January 12, 2016 with comments due by February 26, 2016. During the public review period, staff received numerous comments from the wedding and events industry raising concerns about the economic impacts of the proposal. In response to these concerns, at the February 16, 2016 Strategic Planning session, your Board directed staff to conduct more stakeholder outreach and focus on areas of the county where vacation rentals have generated the most complaints and neighborhood compatibility issues. There are no upcoming hearings or meetings set for the Inland Vacation Rental Ordinance.

- **Commercial Medical Marijuana Land Uses**

Status	<i>In Progress</i>
Next Milestones	<i>Incorporate comments, Planning Commission and Board of Supervisors</i>
Estimated Project Completion	<i>April/May 2017</i>

Detailed Summary: Planning and Building staff are preparing Commercial Marijuana Ordinances (for adoption in Titles 22 and 23 – Land Use Ordinance and Coastal Zone Land Use Ordinance). Staff has prepared initial drafts of the inland and coastal ordinances and has circulated the drafts for legal and internal department review. The next steps will be to revise the draft ordinances and circulate the revised drafts to other departments and outside agencies (e.g. Sheriff, Cal Fish and Wildlife). Comments will then be reviewed and incorporated and the ordinances will be released for public review. The Planning Commission is tentatively scheduled to review the ordinances in February/March 2016 and we expect to have the ordinances ready for the Board of Supervisors hearings in April/May 2017

While the present draft ordinances address Medical Marijuana land uses, if Proposition 64 passes in November 2016, Recreational Marijuana uses will also need to be addressed either by revisions or a second Recreational Marijuana Ordinance will be prepared and brought through the review process. Both Titles 22 and 23 Recreational and Medical Marijuana ordinances, if needed, are expected to be at your Board for consideration in April/May 2017.

- **Permit Tracking System**

Status	<i>In Progress</i>
Next Milestones	<i>Data conversion and configuration</i>
Estimated Project Completion	<i>January 2018</i>

On March 15, 2016, the Board of Supervisors signed the contract with Tyler Technologies to replace the Department's Permit Tracking System - the software system that is utilized for records management, storing and reporting on all Department Records including, Building, Land Use applications and permits and Code Enforcement cases. The system is also the System of Record for fees, certain licenses, and for the Department's cashing activities. This is a major work effort that will result in a modern, configurable, web-based permit tracking system that is designed to leverage the County's enterprise geographic information system (GIS). Users of the system, including the public and other departments and agencies, will benefit from expanded access to records, information and services, and increased staff efficiency. The system will allow the Department processes to be streamlined by consolidating several existing stand-alone applications and through automation of workflows, making it easier to track, report on, and analyze data.

The County Implementation Team, which includes staff from IT and Planning/Building, has been established and is working with Tyler Technologies on development of the new Tracking System. Development of the new system consists of 7 Phases. Phase 1, Planning and Integration is complete. Phase 2, Assess and Define, and Phase 3A, Systems Configuration are concurrently being worked on. These Phases will document existing business processes, identify possible efficiency gains, and map them to the new permit tracking system. The target 'Go Live Implementation' date is estimated to be the end of December 2017.

- **Sign Ordinance Update**

Status	<i>In progress</i>
Next Milestones	<i>Department staff will continue coordinating research with County Counsel.</i>
Estimated Project Completion	<i>December 2017</i>

Detailed Summary: Department staff is coordinating a comparative analysis with other municipalities and legal research with County Counsel concerning the United States Supreme Court ruling.

- **CEQA Process Improvements**

Status	<i>Not Started. Awaiting new guidelines from the California Office of Planning and Research.</i>
Next Milestones	<i>Start research</i>
Estimated Project Completion	<i>Not established</i>

Detailed Summary: Staff desires to begin the process for investigating refining and clarifying the County's CEQA process including considering updating our CEQA Guidelines, our process in selecting consultants, document preparation, consultation with applicants during the document creation process and investigating creating a document indicating thresholds of significance of environmental impacts.

- **Development of a Code Enforcement Strategic Plan**

Status	<i>In progress</i>
Next Milestones	<i>Fill last existing vacancy</i>
Estimated Project Completion	<i>December 2017</i>

Detailed Summary: Work towards creating a strategic plan continues but has been slowed in order to focus on filling vacant positions, acquiring Host Compliance Software to better track unlicensed vacation rentals, assisting in code compliance associated with marijuana cultivations countywide and assisting in urgency ordinances addressing Oak tree removal and marijuana cultivation. Currently the department is assessing workloads, new responsibilities and the possible need for increased staffing levels.

- **Avila Community Plan Update**

Status	In progress
Next Milestones	Community outreach workshop (October 27, 2016)
Estimated Project Completion	3 to 5 years

Detailed Summary: The Board formally authorized this work effort and allocated funding. Staff has formally initiated this work effort since receiving critical direction from the Board on July 19, 2016. Staff has organized a series of community outreach workshops, the first of which will be held on October 27, 2016. This work effort is expected to take 3 to 5 years to complete.

Recently Added Priority Projects

- **Adelaida/Willow Creek Vacation Rental Ordinance**

Status	In progress
Next Milestones	Review by the Planning Commission (October 13, 2016)
Estimated Project Completion	November 15, 2016

Detailed Summary: Your Board authorized a vacation rental ordinance for the Adelaida/Willow Creek area on July 12, 2016. As with the proposed Inland Vacation Rental Ordinance, the proposed Adelaida/Willow Creek Vacation Rental Ordinance is based on the existing Coastal Zone regulations and would expressly prohibit temporary events at sites with vacation rentals unless required permits are first obtained pursuant to the County's existing temporary events ordinance. The ordinance focuses on the Adelaida/Willow Creek area because this is where vacation rentals have generated the most controversy and health and safety concerns due to a high concentration of visitor-serving uses in a rural area with limited infrastructure. The Adelaida/Willow Creek Vacation Rental Ordinance is scheduled for a Planning Commission hearing on October 13, 2016, and is tentatively scheduled for a Board of Supervisors hearing on November 15, 2016.

- **Agricultural Ponds Urgency/Permanent Ordinance**

Status	In progress
Next Milestones	Outreach and develop the Draft Ordinance
Estimated Project Completion	May 14, 2017

Detailed Summary: On July 15, 2016, your Board adopted an interim zoning/urgency ordinance that eliminated the Alternative Review Program as a permitting option for new groundwater-filled agricultural ponds and reservoirs and required applications for such projects to include a water supply study. The purpose of the ordinance is to ensure opportunities for public involvement and adequate environmental review for agricultural ponds and reservoirs. The interim zoning/urgency ordinance had an initial life of 45 days and, on August 16, 2016, was extended to May 14, 2017. Staff intends to work with the Resource Conservation Districts, Agricultural Liaison Advisory Board, and other stakeholders to develop a permanent ordinance for your Board's consideration prior to the May 14, 2017 expiration date.

- **Oak Tree Urgency/Permanent Ordinance**

Status	In progress
Next Milestones	Outreach and develop the Draft Permanent Ordinance; Progress report presentation is scheduled for the Board of Supervisors on January 2017.
Estimated Project Completion	March 2017

Detailed Summary: On June 21, 2016, the Board of Supervisors heard approximately 90 minutes of public testimony regarding a large amount of oak tree removal at a site in the north county. As a result, the Board directed staff to prepare an Urgency Tree Ordinance to eliminate the clear-cutting of oak and native trees. On July 15, 2016, the Board adopted an urgency ordinance prohibiting the clear-cutting of oaks and limiting the removal of native trees in the inland area of the county (Ordinance 3325). On August 16, 2016, the Board extended the urgency ordinance for nine months (until April 16, 2017), and directed staff to prepare a permanent ordinance for the protection of oak trees. Staff has begun the preparation of the permanent ordinance and several public outreach meetings are scheduled from October to December. An update on the progress of the

permanent ordinance is scheduled for the Board of Supervisors on January 24, 2017. A Planning Commission hearing is tentatively scheduled for February of 2017 and a hearing on the permanent ordinance is tentatively scheduled in front of the Board of Supervisors in March of 2017. A hearing to discuss a final extension of the urgency ordinance, if necessary, will occur prior to the expiration of the urgency ordinance.

- **Marijuana Urgency/Permanent Ordinance**

Status	Implementation In progress
Next Milestones	Establish multi-agency review team and make determinations for registrations submitted within the 45 days after urgency ordinance adoption.
Estimated Project Completion	Ongoing until adoption of a permanent ordinance

Detailed Summary: Planning and Building staff provided technical land use information during the development of the Urgency Ordinance. The adopted Urgency Ordinance prohibits all marijuana cultivation in the County. Exemptions are provided for personal medical marijuana cultivation and medical marijuana cultivation by caregivers. The Urgency Ordinance also allows cultivations that were established on or before August 23, 2016 to continue cultivating for the life of the Urgency Ordinance, or until a permanent ordinance is adopted. All existing non-conforming cultivations are required to register their cultivation with the County Planning Department. The Department has prepared a Registration Application Form and will be the lead in reviewing Registration Applications. A multi-agency Review Team is being established. The Department has contacted the Agricultural Commissioner, Sheriff and Cal Fish and Wildlife regarding their participation on the Review Team. The Team will meet regularly and determine if existing non-conforming cultivation sites were established on or before August 23, 2016, and verify if they comply with all applicable building and safety codes.

Other Notable Projects

- **Safety Element Update**

The Safety Element is a state-mandated element of the County's General Plan intended to address protection of the community from unreasonable risks associated with the effects of various hazards, including wildland and urban fires, flooding, and geologic hazards. The last comprehensive update to the Safety Element of the County's General Plan was adopted by your Board in December 1999. Much of the information is now outdated and certain sections must be updated to comply with state and federal mandates.

This work program is not listed as a priority because the Safety Element update is not solely a Planning related function; it involves multiple department and agencies, including Office of Emergency Services, Cal Fire, the Department of Public Works, the County Sheriff's Office, and the Agriculture Commissioners Office. As such, the authorization request to update the Safety Element will be presented jointly to your Board on December 6, 2016 with said departments and agencies. Three mandates require specific revisions the Safety Element: SB1241, AB2140 and SB379. Each of these mandates relates to fire hazard planning, hazard mitigation planning and resiliency planning, respectively.

- **Community Choice Aggregation**

On October 6, 2015, the San Luis Obispo County Board of Supervisors (Board) directed staff to determine if a community choice aggregation program would serve the interests of county residents and businesses. Community choice aggregation, as enabled by Assembly Bill 117 (2002), allows communities to purchase electricity on behalf of their residents and businesses. Forming a local community choice aggregation program could lower local electricity bills, allow more local influence on rates, spur economic development, and provide access to cleaner energy. However, a community choice aggregation program also carries risk related to rate uncertainty, and "up front" investment requirements. County staff is currently investigating the feasibility of two community choice aggregation scenarios. The first includes San Luis Obispo, Ventura, and Santa Barbara counties, as well as the incorporated cities within. The second involves the City of San Luis Obispo and the County of San Luis Obispo. Once the feasibility of both scenarios is assessed in late 2016, County staff will present findings and request feedback from the community. Staff expects to start the community engagement process in January 2017 and expects to present findings to the Board for further direction near the end of the first quarter of calendar year 2017.

Future Priority List

Your Board identified a secondary set of priorities to be completed if time permits or to be considered for the priority list in the future. These items are:

- Agricultural Cluster Ordinance Review
- Craft Distilleries
- Urban Small Wineries
- State Scenic Highways
- Mapping (Constraints and Buildable Parcels)
- Transfer of Development Credits Clean up

Summary

In addition to carrying out the core mandated duties of the department which includes many complicated building and planning permit applications, staff continues to work to develop policies addressing new legislative or legal mandates, and as directed by the Board, to implement the various elements of the General Plan or to address community needs. Timing of completion is based on the availability of staff resources, the need to complete mandated programs and continuing to provide responsive service to our wide variety of customers who are processing applications for permits, searching for land use and building information or are interested in projects currently being processed.

The Planning and Building Department will continue to provide updates to your Board relative to the Department's priorities and progress towards completion of our assigned workload. The next update will be in October 2017.

OTHER AGENCY INVOLVEMENT/IMPACT

The Department regularly coordinates with County Counsel, Public Works, County Parks, Agricultural Department, Environmental Health, Air Pollution Control District, Local Agency Formation Commission, San Luis Obispo Council of Governments, Airport Land Use Commission, Caltrans, Cal Fire, and California Coastal Commission. Continued collaboration and coordination between these agencies and others will occur as the Department strives to continuously improve.

FINANCIAL CONSIDERATIONS

Completion of programs that are not revenue-offset requires General Fund support. The level of General Fund support is determined each fiscal year through the Department's approved budget. In the proposed budget for FY 2016-17, revenues were estimated at \$7,648,133, expenditures at \$15,265,591 and General Fund support at \$7,617,458.

RESULTS

The discussion with the Board will provide more clarity about the overall workload, priority of workload items and specific programs for the Department to focus on FY 2016-17 and looking ahead at budgeting for FY 2017-18, consistent with the countywide goal of a Well-Governed Community.

ATTACHMENTS

1. ATTACHMENT 1: Letter from Protect Scenic 101